

ENERGY EFFICIENCY LABELS: How to make them more useful for consumers?

Do European consumers pay attention to energy labels when they buy an electric appliance, a car or a house? What information are they looking for? This is what the CONSEED research project aims to find out through surveys and field trials among households and various economic sectors in five European countries.



© European Union, 2016 / Source: EC - Audiovisual Service

The European Union has set itself a 20% energy savings target by 2020, and at least 27% by 2030. This can help consumers lower their energy bills and reduce climate change.

Appliances that are more efficient can save consumers €100 billion annually – about €465 per household – on their energy bills by 2020, according to the European Commission’s calculations. To help consumers make energy-efficient purchases, all new electric appliances sold in Europe must carry labels that indicate their energy consumption. Similar labelling systems exist for cars while buildings are marked with energy performance certificates.

CONSEED will study the effect of the energy efficiency labels for these three product groups. The labelling schemes have reduced total energy consumption in Europe. Still, consumers do not always choose the products that would give them the largest energy savings over time. This gap between the energy savings potential and actual consumer decisions is called the “energy efficiency gap”.

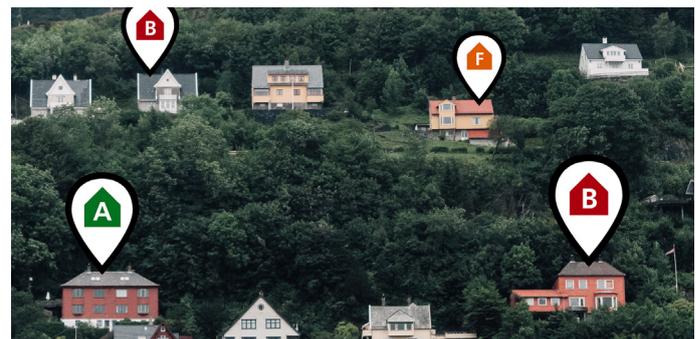
To bridge this gap, we need to understand the wide range of factors that potentially influence consumer decisions. So far, we know relatively little about how consumers use energy efficiency labels on appliances, buildings and cars, and whether the labels make them pay more attention to energy efficiency.



How important is energy consumption for consumers?

The CONSEED project will examine how important energy consumption information is in consumers’ decisions. The researchers will run a range of focus groups, surveys, field experiments and discrete choice experiments with households and professional consumers from the services, agricultural and industrial sectors. These will cover five European countries - Greece, Ireland, Norway, Slovenia and Spain.

The comprehensive database of empirical data will enable us to examine how different consumer groups interact with existing energy efficiency policies for appliances and/or machinery, buildings and transport. The results will help identify areas where energy efficiency policy can have the biggest effect on consumer decisions.



What if energy cost were given in euro?

Researchers will also examine whether consumers would buy energy-saving products if the energy labels carried information about the energy usage cost expressed in euros instead of kWh.

Earlier tests in Norway and Ireland have shown that the average energy consumption of tumble dryers sold went down by up to 5%, when consumers got information on how much money they could save on energy usage. If tests show similar results across different countries and appliance groups, Europeans could achieve substantial additional energy savings and cuts in greenhouse gas emissions at relatively low cost.



Project title: **CONSUMER Energy Efficiency Decision making.**
Running from 2016 to 2019

Led by **Trinity College Dublin**, from Ireland, and including research institutions from four other European countries: Norway’s Center for International Climate Research (**CICERO**), the Basque Centre for Climate Change (**BC3**) from Spain, the **University of Ljubljana** from Slovenia and Greece’s **Agricultural University of Athens**.



Funded by the European Union’s Framework programme for research and innovation Horizon 2020 under grant agreement number 723741.